



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA FIRST CLASS MAIL AND E-MAIL

JUN 18 2013

Neil P. Reiff, Esq.
Sandler, Reiff, Young & Lamb, P.C.
1025 Vermont Avenue, NW, Suite 300
Washington, DC 20005

RE: MUR 6731
Democratic Executive Committee of
Florida and Judy Mount in her
official capacity as treasurer

Dear Mr. Reiff:

On June 12, 2013, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on behalf of the Democratic Executive Committee of Florida and Judy Mount in her official capacity as treasurer, in settlement of violations of 2 U.S.C. §§ 441a(a), 434(b), and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1574.

Sincerely,

Margaret R. Howell
Attorney

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

FEDERAL ELECTION COMMISSION

2013 JUN 13 AM 9:14

In the matter of

Democratic Executive Committee
of Florida and Judy Mount in
her official capacity as treasurer

MUR 6731 OFFICE OF GENERAL
(formerly AR 12-10) COUNCIL

CONCILIATION AGREEMENT

This matter was initiated pursuant to information ascertained by the Federal Election Commission ("Commission") in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the Democratic Executive Committee of Florida and Judy Mount in her official capacity as treasurer ("Respondent" or "Committee") violated 2 U.S.C. §§ 434(b), 441a(a) and 441a(f).

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. The Democratic Executive Committee of Florida is a state party committee that registered with the Commission in 1972. Judy Mount is its treasurer.

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2. The Commission audited the activity of the Committee covering the period from January 1, 2007, through December 31, 2008.

Excessive Coordinated Party Expenditures

3. In addition to any contribution from a committee to a candidate permissible under 11 C.F.R. § 110.2, a state committee of a political party may make coordinated party expenditures in connection with the general election campaign of candidates for federal office in that state and affiliated with that party. 2 U.S.C. § 441a(d); 11 C.F.R. § 109.32(b), (d). The amounts of such coordinated party expenditures are limited by 2 U.S.C. § 441a(d)(3). Any coordinated party expenditure exceeding this limitation constitutes an in-kind contribution, *see* 11 C.F.R. § 100.52(d)(1), and is therefore subject to the contribution limitations of 2 U.S.C. § 441a(a).

4. The national and state committees of a political party may assign their respective authority to make coordinated party expenditures to another political party committee. 11 C.F.R. § 109.33(a). Such an assignment must be made in writing, must state the amount of the authority assigned, and must be received by the assignee committee before any coordinated party expenditure is made pursuant to the agreement. *Id.* A political party committee must retain any such written assignment for at least three years. 11 C.F.R. § 109.33(c).

5. For the 2008 election cycle, the coordinated party expenditure limit for a congressional candidate running in Florida was \$42,100. The Committee's records indicate that it was authorized by the Democratic Congressional Campaign Committee ("DCCC") to spend an additional \$17,900 in connection with the campaign of Annette Taddeo, a candidate for the U.S. House of Representatives from Florida during the 2008 election cycle. Thus, the Committee's coordinated party expenditure limit in connection with the Taddeo election totaled \$60,000.

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6. The Committee aired two advertisements on behalf of Taddeo that constitute coordinated party expenditures. The Committee paid \$82,400 to run the two ads. The Commission's audit thus determined that the Committee exceeded its coordinated party expenditure limit by \$22,400.

7. Although the Committee acknowledges that it did not receive timely authorization to make additional expenditures from the DCCC, the Committee contends that the combined coordinated expenditure limit of \$84,200 was not exceeded for this congressional election.

Failure to Itemize Coordinated Party Expenditures

8. Any political committee other than an authorized committee must disclose all disbursements categorized as coordinated party expenditures on its disclosure reports. 2 U.S.C. § 434(b). These reports must also include the name and address of each person who receives any expenditure from the committee during the reporting period in connection with a coordinated party expenditure, together with the date, amount, and purpose of any such expenditure as well as the name of, and office sought by, the candidate on whose behalf the expenditure is made. 2 U.S.C. § 434(b)(6).

9. The Commission's audit determined that the Committee failed to itemize coordinated party expenditures totaling \$194,957 on Schedule F of the relevant disclosure reports.

10. In response to the audit, the Committee filed amended reports substantially disclosing the expenditures in question on Schedule F.

11. Although the Committee acknowledges that the expenditures were not properly reported on Schedule F, the committee contends that the expenditures were timely disclosed, albeit on the incorrect Schedule.

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Receipt of Excessive Contribution

12. A state party committee is prohibited from knowingly accepting contributions from any one contributor that aggregate more than \$10,000 per calendar year. 2 U.S.C. § 441a(a)(1) and (f); 11 C.F.R. § 110.1(c)(5). Contributions that exceed this limit either on their face or when aggregated with other contributions from the same contributor may be either deposited into a campaign depository or returned to the contributor. 11 C.F.R. § 103.3(b)(3). If the contribution is deposited, the treasurer may request redesignation or reattribution of the contribution by the contributor; however, if a redesignation or reattribution is not obtained, the treasurer must refund the contribution to the contributor within 60 days of its receipt. *Id.*

13. On September 24, 2008, the Committee received a \$50,000 contribution from Gerald T. Vento. The Committee deposited \$30,000 of this amount into its non-federal account and \$20,000 into its federal account. On April 22, 2009 — 210 days later — the Committee refunded \$10,000 to Vento.

14. Although the Committee acknowledges that it did not issue a timely refund of \$10,000 to Mr. Vento, the Committee contends that the failure to do so was inadvertent and, at no time before the refund of the contribution, did the Committee's bank account balances go below the amount required to be refunded to Mr. Vento.

V. 1. Respondent violated 2 U.S.C. § 441a(a) by making an excessive contribution of \$22,400.

2. Respondent violated 2 U.S.C. § 434(b) by failing to itemize \$194,957 in coordinated party expenditures.

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3. Respondent violated 2 U.S.C. § 441a(f) by accepting an excessive contribution of \$10,000.

VI. 1. Respondent will pay a civil penalty to the Commission in the amount of \$9,000, pursuant to 2 U.S.C. § 437g(a)(5)(A).

2. Respondent will cease and desist from violating 2 U.S.C. §§ 434(b), 441a(a) and 441a(f).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.


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X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained within this written agreement shall be enforceable.

FOR THE COMMISSION:

Anthony Herman
General Counsel

BY:


Daniel A. Petalas
Associate General Counsel
for Enforcement

6/18/13
Date

FOR THE RESPONDENT:


Neil P. Reiff
Counsel for Respondent

6/13/13
Date

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